

J. Timothy's Taverne

Testimony before the Labor Committee- Senate Bill 387

Good afternoon, my name is Tim Adams; I am a member of the Connecticut Restaurant Association, a member of its board, and a past chairman. My partner and I are the owners of J. Timothy's Tavern in Plainville and have operated there for thirty three years.

Nothing much has changed since last year when I sat before you to testify about the impact of minimum wage.

- Unemployment continues to rise
- Mandatory paid time off is in full swing
- The unemployment compensation fund is in debt and rates have increased. We are paying the federal government interest on its loans and we are paying a special assessment on top of it all.
- Commodity prices are expected to climb again this year and are directly reflected in increased cost of goods and pricing to consumers
- Workmen's comp costs have increased
- State income tax rates and sales tax rates have increased along with our state debt. Coincidentally we have failed to address long term issues and at the same time have chosen to subsidize an already prosperous hedge fund and build roads that no one needs or wants.
- Retailers and restaurants have been forced to raise prices to stay afloat, while even with this their margins decrease.
- Our work force continues to flee the state. Most recently I believe our past Governor joined these ranks and now resides in Florida

So, maybe things have changed, but not for the better.

Increasing minimum wage has never been the answer to increasing individual or community prosperity. Minimum wage is a place to start. It is not and never was meant to be a wage that

supports a family. It is for teenagers and those who are entering the workforce with a limited skill set. In the constantly maligned "service industry", movement from minimum wage is rapid and significant for those employees who; show up, show up on time, and do their job. It can be a quick path to building a resume from which to grow. I have no minimum wage employees at my restaurant.

If there is a need for higher wages than our industry can provide, a staffer will have the ability to move on with a resume that shows they are a capable worker and ready to improve their life in another field. They are then a strong potential job candidate and ready move forward economically.

Minimum wage is a place to start! It is the beginning of a hand up. Constant increases in the minimum wage, expanding taxes, and regulatory constraints on small business only serve to destroy the businesses that provide the opportunities for workers to prosper.

An unintended side effect of minimum wage is that while it increases wages for already highly paid servers, mine all earn in excess of Twenty Dollars an hour; it decreases the available pool of money for the back of the house staff. Low skill entry level staff is paid an inflated wage making it more difficult to reward those who have worked hard and attained the skills necessary to do more complex jobs.

Repeated government intervention into the operation of the free market continues our states long standing practice of the vilification of the business community. Our industry is where America learns to work. We are not part of the problem. If you will permit us, we are the solution.

Thank you for your time and considering our industries point of view.